

**Senate File 2184 - Introduced**

SENATE FILE 2184  
BY COMMITTEE ON ECONOMIC  
GROWTH

(SUCCESSOR TO SF 2019)

**A BILL FOR**

1 An Act relating to eligible lenders for the home ownership  
2 assistance program for military members.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 16.54, subsection 4, paragraphs a and b,  
2 Code 2009, are amended to read as follows:

3 a. The person eligible for the program shall, for financed  
4 home purchases that close on or after July 1, 2008, use a  
5 lender that participates in the authority's applicable programs  
6 for ~~first-time~~ homebuyers or a lender approved by the authority  
7 under subsection 4A.

8 ~~b. If the person eligible for the program is a first-time~~  
9 ~~homebuyer, then, for~~ For financed home purchases that close on  
10 or after July 1, 2008, the eligible person shall participate,  
11 if eligible to participate, in one of the authority's  
12 other applicable programs for first-time homebuyers. However,  
13 a person eligible for one of the authority's other applicable  
14 programs for homebuyers may use a lender that does not  
15 participate in the authority's programs for homebuyers if such  
16 lender is approved by the authority under subsection 4A.

17 Sec. 2. Section 16.54, Code 2009, is amended by adding the  
18 following new subsection:

19 NEW SUBSECTION. 4A. a. A mortgage lender maintaining  
20 an office in the state that does not participate in the  
21 authority's programs for homebuyers may submit an application  
22 to the authority for approval to provide a mortgage loan or  
23 other financing under the home ownership assistance program or  
24 another homebuyer program, if applicable pursuant to subsection  
25 4, paragraph "b". The authority shall prescribe a form for such  
26 applications.

27 b. The authority shall by rule establish criteria for  
28 the review and approval of applications submitted under this  
29 subsection, including criteria for the approval of a mortgage  
30 lender that offers an eligible person a lower annual percentage  
31 rate than the annual percentage rates available from lenders  
32 that participate in the authority's applicable programs for  
33 homebuyers.

34 c. The authority may determine and collect a reasonable  
35 application fee for each application submitted under this

1 subsection. The application fees collected under this  
2 subsection shall be used exclusively for costs associated with  
3 the review and approval of applications submitted under this  
4 subsection.

5

EXPLANATION

6 This bill allows eligible persons for the home ownership  
7 assistance program for military members to use a lender that  
8 does not participate in the Iowa finance authority's other  
9 programs for homebuyers if an application submitted by the  
10 lender is approved by the authority. The bill also removes the  
11 provision that requires eligible persons to use lenders that  
12 participate in the authority's first-time homebuyer programs.  
13 Under the bill, an eligible person may use a lender that  
14 participates in any of the authority's programs for homebuyers.  
15 The bill allows a mortgage lender that maintains an office in  
16 the state to submit an application to the authority to provide  
17 a mortgage loan or other financing under the home ownership  
18 assistance program for military members or other homebuyer  
19 program if the eligible person is required to participate in  
20 another program. The bill requires the authority to prescribe  
21 a form for such applications.

22 The bill requires the authority to establish criteria for  
23 the review and approval of applications submitted by lenders.  
24 The bill allows the authority to determine and collect a  
25 reasonable application fee for each application submitted. The  
26 bill requires all fees collected by the authority to be used  
27 exclusively for costs associated with the review and approval  
28 of submitted applications.